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ExpenseCheck

October 1984
T-149

Communique

The corporate advisory for cost-effective business travel.

A Meal and Lodging Analysis Tool

Because meal and lodging expenses are so important in the month-to-month cost curve, we continue to study travel dynamics for answers to such questions as: What is the correlation between number of meals purchased and number of lodging nights? And what does that relationship tell us?

First, let's define the method by which we'll examine that correlation: the meal-to-lodging ratio. Simply put, the ratio is derived by dividing the YTD average number of meals per month by the YTD average number of lodging nights per month. According to our October Trendlines report, the National ratio is 4.1:1, or 4.1 dine-alone meals consumed for each night's lodging. As you'll see below, this ratio has been steadily declining since 1981:

Year	Avg. # Meals Per Traveler Month	Avg. # Lodging Nights Per Traveler Month	Meals-to-Lodging Ratio	Avg. Entertainment Cost Per Traveler Month
1980	18.4	3.8	4.8:1	$56.51
1981	19.1	3.9	4.9:1	$66.55
1982	15.3	3.2	4.8:1	$68.30
1983	12.9	2.8	4.6:1	$63.79
*1984	11.6	2.8	4.1:1	$61.37

*YTD results thru 10/84

Why the drop? One theory is that travelers are entertaining more prospects and clients over breakfast, lunch or dinner, thereby reducing the recorded number of dine-alone meals and moving the cost into the Entertainment column on the expense report. However, our Trendlines statistics do not bear this out. In fact, if you discount the 1984 monthly Entertainment average by the inflationary factor, expenditures for Entertainment have actually decreased since 1980.

We believe the decline in the ratio is principally due to more restrictive travel policy postures. For example, some client companies have taken the position that if there is no overnight travel, there will be no reimbursement for dine-alone meals. Other companies have tied reimbursement for a dinner on the return leg of a trip to the time of arrival in the home city. Similarly, breakfast reimbursement hinges on the time of day the trip begins. We've even reviewed a travel policy which states that if a traveler is taking a flight which provides meal service, the traveler is prohibited from requesting reimbursement for that meal.

How do your meal-to-lodging ratios stack up? They may be higher or lower than the National average, depending on the nature of your business travel and your policies for meal reimbursement.

It is certainly worth investigating and the ratios are easy enough to calculate. Or, if you prefer, we can provide you with a complete list of the meal-to-lodging ratios for all of your traveling employees for the small fee of $15 (we'll add the cost to your next monthly billing). Just drop us a note or give us a call.

Trendlines

October T&E expenses for our Trendlines traveler rose 5.2% over September results. Sharply higher spending for Car Rental (+24.9%), Public Transportation (+13.7%), Entertainment (+13.7%), and Lodging (+7.8%) lead the upturn. The number of Lodging Nights climbed by 3.6% for the month, another indicator of increased activity levels.

Expenditures for Miscellaneous (-7.5%), Telephone (-6.6%) and dine-alone Meals (-5.0%) were down for the month.

Year to date through October, Total Travel Expenses are 4.8% ahead of last year's pace. The Consumer Price Index increase over that same period was 3.9%.

Best Holiday Wishes!

ExpenseCheck Trendlines

Figures compiled from the ExpenseCheck data base of business travelers.

Business Travel Expenses
National

AVERAGE $ PER TRAVELER MONTH

	Current Month	Your Company Costs	Year To Date	Your Company Costs
PERIOD COVERED	OCTOBER 1984		OCTOBER 1984	
EXPENSES				
Meals	$ 88.36	$	$ 87.68	$
Lodging	151.25		138.31	
Public Transportation	188.30		168.38	
Car Rental	26.98		25.94	
Telephone & Telegraph	75.70		79.03	
Postage & Supplies	32.34		30.25	
Entertainment	67.36		61.37	
Miscellaneous	45.93		45.34	
TOTAL TRAVEL EXPENSES	$ 676.22	$	$ 636.30	$

MEAL ANALYSIS				
Average Number Per Traveler Month	11.4		11.6	
Average Cost Per Meal -	$ 7.77	$	$ 7.55	$
LODGING ANALYSIS				
Average Number Per Traveler Month	2.9		2.8	
Average Cost Per Night -	$ 52.73	$	$ 50.23	$

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12/84

ExpenseCheck Trendlines

Figures compiled from the ExpenseCheck data base of business travelers.

Business Travel Trends
National

	Current Month	Your Trendline	Year To Date	Your Trendline
PERIOD COVERED	10/84 vs 09/84		10/84 vs 12/83	
EXPENSES				
Meals	DOWN 5.0 %	%	DOWN 7.4 %	%
Lodging	UP 7.8		UP 9.3	
Public Transportation	UP 13.7		UP 8.9	
Car Rental	UP 24.9		DOWN 13.8	
Telephone & Telegraph	DOWN 6.6		UP 18.1	
Postage & Supplies	NO CHANGE		UP 11.5	
Entertainment	UP 13.7		DOWN 3.8	
Miscellaneous	DOWN 7.5		UP 5.1	
TOTAL TRAVEL EXPENSES	UP 5.2 %	%	UP 4.8 %	%

MEAL ANALYSIS				
Average Number Per Traveler Month	DOWN 6.6 %	%	DOWN 10.1 %	%
Average Cost Per Meal -	UP 2.1 %	%	UP 2.6 %	%
LODGING ANALYSIS				
Average Number Per Traveler Month	UP 3.6 %	%	NO CHANGE %	%
Average Cost Per Night -	UP 3.6 %	%	UP 11.8 %	%

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12/84

B7400-1 A

2

ExpenseCheck Trendlines

Figures compiled from the ExpenseCheck data base of business travelers.

Business Travel Expenses
US Chemical

	AVERAGE $ PER TRAVELER MONTH			
	Current Month	Your Company Costs	Year To Date	Your Company Costs
PERIOD COVERED	OCTOBER 1984		OCTOBER 1984	
EXPENSES				
Meals	$ 141.41	$	$ 134.12	$
Lodging	251.02		237.36	
Public Transportation	481.02		470.22	
Car Rental	51.49		62.30	
Telephone & Telegrapn	42.02		41.78	
Postage & Supplies	9.92		10.44	
Entertainment	324.24		287.88	
Miscellaneous	84.60		82.66	
TOTAL TRAVEL EXPENSES	$ 1385.72	$	$ 1326.76	$

MEAL ANALYSIS				
Average Number Per Traveler Month	19.0		17.8	
Average Cost Per Meal -	$ 7.44	$	$ 7.54	$
LODGING ANALYSIS				
Average Number Per Traveler Month	4.5		4.4	
Average Cost Per Night -	$ 55.91	$	$ 54.07	$

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ExpenseCheck Trendlines

Figures compiled from the ExpenseCheck data base of business travelers.

Business Travel Trends
US Chemical

	Current Month	Your Trendline	Year To Date	Your Trendline
PERIOD COVERED	10/84 vs 09/84		10/84 vs 12/83	
EXPENSES				
Meals	DOWN 1.7 %	%	DOWN 23.0 %	%
Lodging	DOWN 9.0		UP 39.5	
Public Transportation	DOWN 14.4		UP 63.2	
Car Rental	DOWN 30.9		UP 62.8	
Telephone & Telegraph	DOWN 4.3		DOWN 19.6	
Postage & Supplies	UP 17.4		UP 78.2	
Entertainment	UP 6.0		UP 101.2	
Miscellaneous	DOWN 25.1		UP 66.4	
TOTAL TRAVEL EXPENSES	DOWN 9.3 %	%	UP 44.0 %	%

MEAL ANALYSIS				
Average Number Per Traveler Month	UP 1.6 %	%	DOWN 20.5 %	%
Average Cost Per Meal -	DOWN 3.5 %	%	DOWN 3.0 %	%
LODGING ANALYSIS				
Average Number Per Traveler Month	DOWN 4.3 %	%	UP 18.9 %	%
Average Cost Per Night -	DOWN 4.5 %	%	UP 19.0 %	%

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B7400-1 A

3

ExpenseCheck Trendlines

Figures compiled from the ExpenseCheck data base of business travelers.

Business Travel Expenses
US Consumer Products

	AVERAGE $ PER TRAVELER MONTH			
	Current Month	Your Company Costs	Year To Date	Your Company Costs
PERIOD COVERED	OCTOBER 1984		OCTOBER 1984	
EXPENSES				
Meals	$ 100.55	$	$ 94.61	$
Lodging	206.09		182.15	
Public Transportation	197.33		183.48	
Car Rental	21.41		23.20	
Telephone & Telegraph	135.34		125.27	
Postage & Supplies	51.86		48.90	
Entertainment	89.64		88.38	
Miscellaneous	50.92		46.93	
TOTAL TRAVEL EXPENSES	$ 853.14	$	$ 792.92	$

MEAL ANALYSIS				
Average Number Per Traveler Month	14.3		13.7	
Average Cost Per Meal -	$ 7.04	$	$ 6.92	$
LODGING ANALYSIS				
Average Number Per Traveler Month	3.7		3.5	
Average Cost Per Night -	$ 55.06	$	$ 52.09	$

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ExpenseCheck Trendlines

Figures compiled from the ExpenseCheck data base of business travelers.

Business Travel Trends
US Consumer Products

	Current Month	Your Trendline	Year To Date	Your Trendline
PERIOD COVERED	10/84 vs 09/84		10/84 vs 12/83	
EXPENSES				
Meals	UP 9.3 %	%	UP 7.3 %	%
Lodging	UP 13.0		UP 15.1	
Public Transportation	UP 24.4		UP 11.6	
Car Rental	UP 0.3		UP 44.4	
Telephone & Telegraph	UP 7.6		UP 10.8	
Postage & Supplies	UP 1.9		UP 11.1	
Entertainment	DOWN 0.9		UP 12.1	
Miscellaneous	UP 23.3		UP 6.4	
TOTAL TRAVEL EXPENSES	UP 11.9 %	%	UP 12.2 %	%

MEAL ANALYSIS				
Average Number Per Traveler Month	UP 5.9 %	%	UP 3.0 %	%
Average Cost Per Meal -	UP 3.5 %	%	UP 4.4 %	%
LODGING ANALYSIS				
Average Number Per Traveler Month	UP 8.8 %	%	UP 20.7 %	%
Average Cost Per Night -	UP 2.7 %	%	DOWN 5.3 %	%

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ExpenseCheck Trendlines

Figures compiled from the ExpenseCheck data base of business travelers.

Business Travel Expenses
US Health and Beauty

AVERAGE $ PER TRAVELER MONTH

	Current Month	Your Company Costs	Year To Date	Your Company Costs
PERIOD COVERED	OCTOBER 1984		OCTOBER 1984	
EXPENSES				
Meals	$ 102.33	$	$ 94.67	$
Lodging	250.28		220.42	
Public Transportation	318.67		291.99	
Car Rental	54.30		48.62	
Telephone & Telegraph	154.76		145.46	
Postage & Supplies	31.93		29.29	
Entertainment	91.15		95.92	
Miscellaneous	65.74		60.09	
TOTAL TRAVEL EXPENSES	$ 1069.16	$	$ 986.46	$

MEAL ANALYSIS				
Average Number Per Traveler Month	14.4		13.5	
Average Cost Per Meal -	$ 7.13	$	$ 7.03	$
LODGING ANALYSIS				
Average Number Per Traveler Month	4.3		4.0	
Average Cost Per Night -	$ 57.99	$	$ 55.20	$

12/84

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ExpenseCheck Trendlines

Figures compiled from the ExpenseCheck data base of business travelers.

Business Travel Trends
US Health and Beauty

	Current Month	Your Trendline	Year To Date	Your Trendline
PERIOD COVERED	10/84 vs 09/84		10/84 vs 12/83	
EXPENSES Meals	UP 6.6 %	%	UP 4.6 %	%
Lodging	UP 10.1		UP 8.4	
Public Transportation	UP 0.6		DOWN 1.8	
Car Rental	UP 21.0		DOWN 8.5	
Telephone & Telegraph	UP 6.9		UP 0.5	
Postage & Supplies	UP 4.1		UP 8.1	
Entertainment	DOWN 20.9		UP 4.3	
Miscellaneous	UP 21.6		DOWN 1.1	
TOTAL TRAVEL EXPENSES	UP 3.8 %	%	UP 1.8 %	%

MEAL ANALYSIS				
Average Number Per Traveler Month	UP 3.6 %	%	UP 2.3 %	%
Average Cost Per Meal -	UP 3.2 %	%	UP 2.3 %	%
LODGING ANALYSIS				
Average Number Per Traveler Month	UP 7.5 %	%	UP 2.6 %	%
Average Cost Per Night -	UP 2.8 %	%	UP 6.8 %	%

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12/84

B7400-1 A

5

ExpenseCheck Trendlines

Figures compiled from the ExpenseCheck data base of business travelers.

Business Travel Expenses
US Insurance

	AVERAGE $ PER TRAVELER MONTH			
	Current Month	Your Company Costs	Year To Date	Your Company Costs
PERIOD COVERED	OCTOBER 1984		OCTOBER 1984	
EXPENSES				
Meals	$ 52.20	$	$ 53.54	$
Lodging	91.89		76.70	
Public Transportation	114.60		115.65	
Car Rental	62.76		66.89	
Telephone & Telegraph	1.41		1.64	
Postage & Supplies	0		.07	
Entertainment	49.86		48.40	
Miscellaneous	9.85		11.93	
TOTAL TRAVEL EXPENSES	$ 382.57	$	$ 374.82	$
MEAL ANALYSIS				
Average Number Per Traveler Month	6.5		6.9	
Average Cost Per Meal -	$ 8.05	$	$ 7.72	$
LODGING ANALYSIS				
Average Number Per Traveler Month	1.6		1.5	
Average Cost Per Night -	$ 58.36	$	$ 52.28	$

12/84

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ExpenseCheck Trendlines

Figures compiled from the ExpenseCheck data base of business travelers.

Business Travel Trends
US Insurance

	Current Month	Your Trendline	Year To Date	Your Trendline
PERIOD COVERED	10/84 vs 09/84		10/84 vs 12/83	
EXPENSES				
Meals	UP 7.1 %	%	UP 11.0 %	%
Lodging	UP 46.9		UP 9.1	
Public Transportation	DOWN 8.8		DOWN 7.0	
Car Rental	UP 4.8		DOWN 0.4	
Telephone & Telegraph	DOWN 17.5		DOWN 48.8	
Postage & Supplies	N/A		DOWN 94.7	
Entertainment	UP 26.2		DOWN 12.8	
Miscellaneous	DOWN 20.5		UP 5.8	
TOTAL TRAVEL EXPENSES	UP 9.1 %	%	DOWN 1.7 %	%

MEAL ANALYSIS				
Average Number Per Traveler Month	UP 3.2 %	%	UP 7.8 %	%
Average Cost Per Meal -	UP 3.2 %	%	UP 2.9 %	%
LODGING ANALYSIS				
Average Number Per Traveler Month	UP 23.1 %	%	UP 7.1 %	%
Average Cost Per Night -	UP 18.3 %	%	UP 2.8 %	%

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12/84

B7400-1 A

ExpenseCheck Trendlines

Figures compiled from the ExpenseCheck data base of business travelers.

Business Travel Expenses
US Medical Products

	AVERAGE $ PER TRAVELER MONTH			
	Current Month	Your Company Costs	Year To Date	Your Company Costs
PERIOD COVERED	OCTOBER 1984		OCTOBER 1984	
EXPENSES				
Meals	$ 110.38	$	$ 106.50	$
Lodging	216.28		186.50	
Public Transportation	233.32		234.24	
Car Rental	28.04		25.61	
Telephone & Telegraph	192.79		196.26	
Postage & Supplies	27.55		27.61	
Entertainment	88.52		77.19	
Miscellaneous	69.76		57.80	
TOTAL TRAVEL EXPENSES	$ 966.64	$	$ 911.71	$

MEAL ANALYSIS				
Average Number Per Traveler Month	18.0		17.9	
Average Cost Per Meal -	$ 6.13	$	$ 5.96	$
LODGING ANALYSIS				
Average Number Per Traveler Month	3.9		3.5	
Average Cost Per Night -	$ 55.58	$	$ 52.68	$

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ExpenseCheck Trendlines

Figures compiled from the ExpenseCheck data base of business travelers.

Business Travel Trends
US Medical Products

	Current Month	Your Trendline	Year To Date	Your Trendline
PERIOD COVERED	10/84 vs 09/84		10/84 vs 12/83	
EXPENSES				
Meals	UP 4.1 %	%	DOWN 1.5 %	%
Lodging	UP 14.3		UP 5.8	
Public Transportation	UP 8.6		UP 1.1	
Car Rental	UP 13.5		DOWN 11.6	
Telephone & Telegraph	UP 1.7		UP 18.0	
Postage & Supplies	UP 6.0		DOWN 5.4	
Entertainment	UP 18.2		DOWN 9.4	
Miscellaneous	UP 23.6		DOWN 11.0	
TOTAL TRAVEL EXPENSES	UP 9.6 %	%	UP 2.4 %	%

MEAL ANALYSIS				
Average Number Per Traveler Month	NO CHANGE %	%	UP 1.1 %	%
Average Cost Per Meal -	UP 4.1 %	%	DOWN 2.6 %	%
LODGING ANALYSIS				
Average Number Per Traveler Month	UP 8.3 %	%	DOWN 2.8 %	%
Average Cost Per Night -	UP 4.3 %	%	UP 7.3 %	%

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12/84

B7410-1 A

ExpenseCheck Trendlines

Figures compiled from the ExpenseCheck data base of business travelers.

Business Travel Expenses
US Pharmaceutical

	AVERAGE $ PER TRAVELER MONTH			
	Current Month	Your Company Costs	Year To Date	Your Company Costs
PERIOD COVERED	OCTOBER 1984		OCTOBER 1984	
EXPENSES				
Meals	$ 61.85	$	$ 70.27	$
Lodging	72.74		79.68	
Public Transportation	54.45		70.61	
Car Rental	7.43		7.89	
Telephone & Telegraph	47.93		50.98	
Postage & Supplies	12.79		12.92	
Entertainment	38.56		39.07	
Miscellaneous	56.86		57.56	
TOTAL TRAVEL EXPENSES	$ 352.61	$	$ 388.98	$
MEAL ANALYSIS				
Average Number Per Traveler Month	7.5		8.2	
Average Cost Per Meal -	$ 8.21	$	$ 8.58	$
LODGING ANALYSIS				
Average Number Per Traveler Month	1.6		1.7	
Average Cost Per Night -	$ 45.88	$	$ 45.74	$

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ExpenseCheck Trendlines

Figures compiled from the ExpenseCheck data base of business travelers.

Business Travel Trends
US Pharmaceutical

	Current Month	Your Trendline	Year To Date	Your Trendline
PERIOD COVERED	10/84 vs 09/84		10/84 vs 12/83	
EXPENSES				
Meals	DOWN 24.0 %	%	NO CHANGE %	%
Lodging	DOWN 17.7		DOWN 0.9	
Public Transportation	DOWN 17.8		DOWN 6.6	
Car Rental	DOWN 11.7		DOWN 14.8	
Telephone & Telegraph	DOWN 15.3		DOWN 3.9	
Postage & Supplies	DOWN 0.9		DOWN 8.8	
Entertainment	UP 7.4		DOWN 20.5	
Miscellaneous	DOWN 4.0		UP 11.6	
TOTAL TRAVEL EXPENSES	DOWN 13.8 %	%	DOWN 3.6 %	%

MEAL ANALYSIS				
Average Number Per Traveler Month	DOWN 21.1 %	%	DOWN 3.5 %	%
Average Cost Per Meal -	DOWN 3.8 %	%	UP 4.4 %	%
LODGING ANALYSIS				
Average Number Per Traveler Month	DOWN 15.8 %	%	DOWN 10.5 %	%
Average Cost Per Night -	DOWN 1.5 %	%	UP 6.9 %	%

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